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incapacity of Russia to supply their needs made it more and more pressing for them to try to get equipment from Western Europe. This need expressed itself in the case of Yugoslavia in a revolt against the Moscow ukase (see Part III, *The Rebellious Satellite*) and in the case of the other satellites in an appeal to the West to supply the goods—an appeal that, because of its expediency, was not vetoed by Moscow. At the Conference of the Economic Commission for Europe of the United Nations, the Polish and Czech delegates asked for trade with Western Europe, by which they could obtain capital goods. The Bulgarian delegate stated that his country could not improve her economic position to any extent without increasing her imports, especially of machines, from the West. (United Nations Documents, E/ECE/SR4/1-25).

Russia, with the majority of her population engaged in agriculture, is faced with the same problem as her satellites (apart from the Czech lands of Czechoslovakia and the Soviet Zones of Germany and Austria)—large-scale industrialisation. The terrible destruction suffered by the U.S.S.R. in World War II, as well as the preparations for World War III, which require the same materials as industrialisation—steel, coal, machinery, etc.—render Russia even less able to help the countries of Eastern Europe.

Dismantling, Looting, Requisitioning

When the populations of Eastern Europe, mainly of the ex-enemy countries, first met the Russian Army and State officials, they did not see them bringing gifts, supplying machinery, locomotives, etc., but looting their country.

Stalin forgot that the Communist International had preached for years against the reparation articles of the Versailles Treaty, and had reiterated that the German workers bore the real burden of reparations, although they did not profit in any way from the war. In World War II the crimes of the Nazi Army were incomparably worse than those of the Kaiser Army in World War I, yet the German people drew no benefit at all from this. On the contrary, the first victim of the Hitler terror was the German people itself. The 800 thousand German Communists, Socialists, trade unionists, Catholics, etc. (not including the German Jews) who passed through prisons and

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concentration camps in the twelve years of Hitler's rule are testimony to this. What magnificent heroism on the part of unarmed and helpless people to challenge the brutal state machine with its all-seeing eye and unlimited terror!

The Communist Parties knew all this very well. Immediately after June 1941 they emphasised that this time, because of Russia's part in the war, no new Versailles Treaty with reparations clauses would be imposed and that the German people would not be made to pay for the crimes of their rulers. The German proletariat, they said, was not more responsible for the war than the English or the French, and they repeated the same views on the question of reparations as the Communist International had after World War I. At that time the leaders of the French Communist Party explained why the French workers should oppose the exaction of reparations from Germany. Thus Gabriel Peri wrote in an article entitled 'On the Eve of the Reparations Conference': '. . . the workers of France and Germany have only *one* interest, viz., that of forming a revolutionary front against financial capital and the heavy industries in both countries. For the enormous sums at stake (the reparations—YG) will naturally be squeezed out of the working masses'. (*International Press Correspondence*, February 1st, 1929).

But all this changed with the hope of Russian victory. With Russia becoming the Power able to extract reparations, her opposition in principle to reparations vanished. Instead she decided to take reparations on a far larger scale than ever the French Government had dared after World War I.

Edward Charles in his article 'Reparations, 1919-31', in *The Banker* of April, 1945, writes on the reparations that Germany paid after the first world war: 'Reparations before the Dawes Plan brought in some 8 milliard gold marks. From September, 1924, to the end they yielded a further 10 milliards'. There is no reliable calculation of the national income of Germany between the end of the first world war and the introduction of the Dawes Plan. It is therefore impossible to calculate what proportion of the national income reparations made up. But for the years 1924-32 this figure is available. The total national income of Germany for these 9 years was calculated at 564.3 milliard marks, and in the same period

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Germany paid reparations to the extent of 9.8 milliard marks, or 1.7 per cent of the national income. In no year after the first world war did the reparations paid by Germany exceed 4 per cent of the national income. To calculate the burden of these reparations, other criteria besides the national income, such as budget revenue or exports, can be applied. The reparations Germany paid rose from 12.9 per cent of the budget revenue of Germany or 9.9 per cent of the value of its exports in 1924-5, to 25.7 per cent and 18.4 per cent respectively in 1928-9.

With regard to Germany's looting of Europe during the second world war, German official statistics admit that up to 1943 the Reich got from the occupied countries 'special incomes' amounting to 50 milliard marks. British official estimates give a figure of 12.8 milliard dollars for the same period. The two figures thus nearly tally. Nearly all the German robbery took place immediately after the occupation. If we, therefore, assume that the annual looting of the occupied countries by Germany after 1943 was the same as the annual average of 1939 to 1943, we shall certainly not underestimate it: on this basis the total German looting amounted to 20-25 milliard dollars.

A comparison between the reparations paid by Germany after the first world war—about 18 milliard marks or 3.6 milliard dollars—with the 'reparations' that Germany took from Europe in the second world war—20-25 milliard dollars—reveals the increasingly plunderous character of declining capitalism, as exemplified by the Hitler regime.

Russia's attitude to the question of reparations after the second world war was expressed clearly by Prof. Varga in an article published in *War and the Working Class*, 15th October, 1943. He concluded that Germany must pay reparations to the tune of 90 milliard marks or about 22 milliard dollars, and he stated that the Russian government asked in addition for ten million German workers to be sent to Russia for reconstruction work.

A claim for such large reparations, coupled with a demand for ten million workers, i.e., nearly a third of the total German working class, was incompatible with the existence of Germany as an important industrial country. At Yalta, consequently,

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648 Stalin had to demand that 80 per cent of German industry
● 728 should be dismantled within two years of the cease-fire. (James F. Byrnes, *Speaking Frankly*, London, 1948, pp. 26-7).

In view of the division of Germany between East and West, Russia did not want to exclude the possibility of the Communist Party's influencing the German people, and so she did not press her claim for ten million slave labourers or the dismantling of 80 per cent of German industry. Nevertheless the total sum lost by Germany directly and indirectly under the post-war arrangements in the East exceeded the total sum for which Varga asked.

It is difficult to get a full picture of this looting, as it was carried out in many guises, and those responsible for it were of course extremely anxious to conceal what was happening. But the following facts are incontestable.

First, millions of Germans were expelled from their homes and lost their property. The President of Poland, Bierut, estimated that Poland's gains in the West, i.e., from Germany, have an investment value of 9½ milliard dollars. The property of the Sudeten Germans of Czechoslovakia was estimated at 4 milliard dollars. If we assume that the rest of the Germans who inhabited the former territory of Poland, Hungary, Rumania, etc., were on the average as wealthy as the inhabitants of the portion of Eastern Germany that was annexed to Poland and the Sudetan region, their property must be evaluated at about 6 milliard dollars. Therefore the expulsion of the Germans alone brought in 'reparations' amounting to about 20 milliard dollars.

The Yalta Agreement decided in principle that Germany would pay reparations amounting to 20 milliard dollars, half of which would go to Russia.

Unlike what happened after the first world war, after this war no figures were published of the quantity of reparations taken or the form in which they were taken.

Reparations from Rumania

648 The armistice imposed on Rumania required payment to
728 Russia of reparations in the form of goods amounting in value
434 to 300 million dollars in 1938 world market prices, or 700-800 million dollars today. The reparations were made up as

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follows :—petroleum products, 50 per cent; ships, barges, locomotives and industrial equipment, 32 per cent; agricultural goods and timber 18 per cent. The second group did not make up even as much as 10 per cent of Rumanian exports before the war.

There are no estimates of the proportion of the national income which these reparations represent. The only clue is that given in June 1947 by the vice-Premier, Tatarescu, who gave the proportion as 50 per cent of the total production of Rumanian industry. It would be very unwise to accept this figure uncritically, as it was given on the eve of Tătărescu's conflict with the Communist Party which ended in his expulsion from the Government. Even if it were accurate, this figure would not be very useful as it relates only to industrial production, and not to the whole national product.

In addition to the reparations, Rumania had to give as restitution for goods looted from Russia 100,000 wagon loads of cereals, 260,000 head of cattle, 5,500 wagon loads of sugar, 250 tractors. (Of course, most of the loot taken from Russia by the Rumanians when they occupied it had already been destroyed and lost, and 'restitution' meant taking new products or those in good condition.)

The most important machinery of the Ploesti Oil Refineries was dismantled by the Russian military authorities, and the Rumanians also had to hand over a fifth of the machinery of the textile and metallurgical industries. It must also be remembered that the Russian army lived off the land. There are no statistics of the total cost thus incurred by the country, but it was certainly very great. According to the estimate made in February, 1946, by La Guardia, who was the head of U.N.R.R.A. at the time, the four occupation armies in Austria cost the country 200 million dollars a year. For three years the Russian army in Rumania was not smaller than all the four occupation armies in Austria put together at the beginning of 1946. In view of the complete silence of the Russian authorities about the amount of reparations they took from Rumania, it is impossible to ignore the estimate given by the U.S. delegate to the Paris Peace Conference, Willard L. Thorp, who said on September 23rd, 1946, that Rumania paid in reparations of all kinds 1,050 million dollars and that he estimated that

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950 million dollars remained to be paid. E. D. Tappe wrote: 'It has been estimated that in fact Roumania, from the armistice to 1 June 1948, paid the U.S.S.R. $1,785 million in goods, etc.; a figure which would represent 84 per cent of Roumania's national income for that period.' (R. R. Betts, editor, *Central and South East Europe, 1945-1948*, London, 1950, pp. 20-21).

Reparations from Hungary

Hungary had to pay reparations in goods amounting to 300 million dollars at 1938 prices, 200 million to U.S.S.R., 50 million to Czechoslovakia and 50 million to Yugoslavia. Industrial goods constituted 83 per cent and agricultural goods 17 per cent of this total. Yet in 1936-7, the proportion of agricultural goods in the total exports of Hungary was 62 per cent, while industrial goods did not make up even a third of all the exports. From this it is clear that Hungarian industry had to make a tremendous effort to supply the reparation goods, especially in view of the terrible devastation her industry suffered in the war, and her own great needs.

An U.N.R.R.A. estimate shows that in 1945, 94 per cent of the working capacity of the metal and engineering industries in Hungary was being used for reparation-goods for Russia. The British parliamentary delegation which visited Hungary in the spring of 1946 estimated that reparation demands amounted to 18 per cent of the national income.

The Hungarian budget for the year 1946-7 set aside for reparations a sum eight times bigger than that allocated to reconstruction (and we must not forget that a large part of the Russian loot is not even included in the budget as it was taken from industries officially in Russian hands). On 23 July, 1946, in a note to the Soviet Government, the U.S. Ambassador in Moscow pointed out that half the current industrial production of Hungary was absorbed in meeting Russia's demands. In some industries, including coal, iron and machine production the proportion was 80-90 per cent. At the Peace Conference in Paris in October, 1946, the U.S. representatives claimed that in the year since the armistice about 35 per cent of the national income of Hungary was spent on the costs of Soviet reparations, occupation and requisitions. The British parliamentary delega-

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tion mentioned above estimated the occupation costs at 12 per cent of the national income of Hungary, making with reparations a total of 30 per cent. Now that the Russian Army has been very much reduced and production has passed the pre-war level, the importance of reparations, acquisitions, etc., in the national income has very much declined. According to T. Mende, who was not unsympathetic to the post-war regime in Hungary, they amounted to 7-11 per cent of the national income (*Fortnightly Review*, July, 1948). When Ernö Gerö, the Minister of Finance, introduced the budget for 1949 in the Hungarian parliament on December 15th, 1948, he said that in 1948, 25.4 per cent of the total expenditure went to pay the reparations, while in 1949, 9.8 per cent of the budget would be allocated for this purpose. This reduction is due largely to the fact that Russia cancelled 50 per cent of the remainder of the reparations from July, 1948.

The value of dismantled machinery, locomotives, wagons, etc., taken by the Russian army in Hungary was estimated at 124 million dollars, and the requisitions of the Russian army that lived on the country were very great. According to the American note of 23rd July, 1946, the Soviet forces had up to June, 1945, taken out of Hungary four million tons of wheat, rye, barley, maize and oats (the total pre-war annual production of these grains was a little over 7 million tons). Of the foodstuffs available for the urban population in the second half of 1945 the Soviet army had appropriated nearly all the meat, one-sixth of the wheat and rye, one-quarter of the legumes, nearly three-quarters of the lard, a tenth of the vegetable oils and a fifth of the milk and dairy products. The note added that extensive requisitioning of food was going on as late as April, 1946. And we must not forget that at the same time the food shortage in Hungary was so serious that not more than 850 calories a day per person were provided, which was even fewer than in Germany and Austria. The death rate, especially among babies, reached alarming proportions.

Even countries which were not allies of Germany during the war did not escape the Russian appetite for loot. 60 big industrial enterprises in the Sudeten region and a number of enterprises in other parts of Czechoslovakia were dismantled by the Russian army. In the part of Germany annexed to

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Poland the Russian army dismantled, according to the estimates of the Communist Minister of Industry, Hilary Minc, 25-30 per cent of all the industrial equipment of the area. (Speech delivered in Warsaw on 20th October, 1945). In Old Poland too, the Russian army dismantled machinery, notably in the Lodz and Bialystok textile works.*

Trade Between Russia and her Satellites

An important feature of the foreign trade policy of Russia and her satellites is the tendency towards self-sufficiency or autarchy. The following table illustrates this as far as Russia herself is concerned:

U.S.S.R. FOREIGN TRADE (IN MILLION PRE-1914 GOLD RUBLES)

Year	*Export*	*Import*
1913†	1520.1	1375.0
1924/5..	577.8	723.4
1927/8..	791.6	945.5
1932	574.9	704.0
1937	377.2	294.2
1938	287.8	300.4

The tendency towards economic isolation from the West on the part of the satellites is shown by the following table dealing with the foreign trade of Czechoslovakia, Hungary, Poland, Rumania, Yugoslavia and Bulgaria: (see top of page 63).

As Yugoslavia did not publish figures of foreign trade for the years 1947 and 1948 it was not possible to take them into consideration in drawing up this table. Otherwise the tendency of these countries to trade mainly among themselves and with Russia and to restrict trade relations with countries independent of Russia would have been even more pronounced.

It would of course be one-sided to conclude that this tendency is entirely the result of the choice of these countries them-

*Incidentally, even backward China was not left untouched by the greed of the Russian bureaucracy. In June, 1946, Edwin Pauley, U.S. Reparations Commissioner, visited Manchuria and inspected 80 per cent of the Japanese war industry. In his report he stated that the Russian removal of equipment was on such a scale as to retard Manchuria's development by a generation and reduce the country to an agricultural economy. The principal items of equipment removed were machine tools and electrical equipment, although in some cases whole plants were completely stripped. Steel production was reduced by more than 50 per cent. Pauley estimated that altogether the machinery dismantled by the Russians was worth 850 million dollars. (*The World Today*, August, 1946). That this was a very heavy burden for Manchuria is clear from the fact that in 1932-1943 the total Japanese investments in Manchuria were evaluated at 5,393 million yen (about 1,200 million dollars).

†In the pre-1914 boundaries.

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CHAPTER I

THE INITIAL SOVIET INTERVENTION: BULGARIA, RUMANIA, HUNGARY

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648 661 NAPOLEON'S WORDS, 'Une armée dehors c'est l'État qui voyage', apply very well to the Russian armies which overran the countries of Eastern Europe as a result of the Second World War. If the Russian state had been a liberating democracy where power was in the hands of the people, the entry of the Red Army into the Eastern Europen countries would have inspired their populations to take their fate into their own hands, put an end to the military police dictatorships that terrorized them and establish the full sovereignty of the people. But the policy of the Russian occupation authorities was entirely different. For the first two or three years their primary objective was to preserve as strong an army and police force as possible under the control of the Communist Parties. With this task in mind the Communist leaders skilfully manipulated the pressure of the masses to introduce 'loyal' elements into the army and police and at the same time allied themselves with reactionary, even ex-fascist, heads of the old army and police. The second aim of the Kremlin was to call a halt to any action of the peoples which bore a really democratic and spontaneous character and which might therefore impede the Gleichshaltung of all public life. To achieve this, the same method was adopted of making alliances with the most right-wing, reactionary elements against the authentic Socialist Parties, Peasant Parties and, above all, against the peoples themselves.

A study of political life in the satellite states must begin with an analysis of this policy.

642 661 728 *Pre-War Political Regime in Eastern Europe*

Before the war, all the countries dealt with (except Czechoslovakia) had lived under a military dictatorship camouflaged

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642 by a parlimentary facade. Workers' parties, peasant parties
661 and trade unions were all persecuted or forbidden, strikes were
728 suppressed in blood, and brutal mass executions were not unknown. To give only one example, 20-30 thousand workers and peasants lost their lives after the overthrow of the Peasant Government of Alexander Stamboliisky in Bulgaria in 1923. The secret police of Rumania, Yugoslavia and Bulgaria could boast of rivalling the Gestapo in all the refinements of torture. The press was gagged. Parliamentary elections were a farce, as votes were bought, electors were terrorized, and voting was open, although the counting of the votes was secret. It was no accident that in only one out of the many national elections held in Rumania between the two world wars, did the government that was called upon by the king to arrange the elections fail to get the expected majority! The corruption and depravity of the public administration was immense. Symbolical of this corruption was King Carol's notorious mistress, Magda Lupescu, who appointed and dismissed Ministers and high officials, distributed government contracts, etc. National minorities in general, and the Jews in particular, suffered from official oppression and from 'spontaneous' outbursts of hooliganism organised by government agents. The alliance with Hitlerite Germany of Rumania, Hungary, Bulgaria and many of the rulers of Yugoslavia seemed natural.

In view of these facts, it is not surprising that the collapse of the German military machine was greeted with joy by the overwhelming majority of the peoples of Eastern Europe, who hoped to get rid of the previous shameful political and social order. The breakdown of the Gestapo unleashed a tremendous. independent upsurge of the people. The first task of the Russian occupation authorities was to grapple with this mass activity.

Bulgaria

669 In Sofia and other towns armed workers arrested fascists
642 *en masse*, held mass demonstrations, set up elected people's
728 tribunals, disarmed the police and established a workers' militia. Local committees took over the administration and the red flag was hoisted over all public buildings. The ferment was equally great in the Bulgarian army. Thus *The Economist* of October 7th, 1944, could write:

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'Reports on the Bulgarian forces of occupation in Western Thrace and Macedonia vividly recall the picture of the Russian army in 1917. Soldiers' councils have been set up, officers have been degraded, red flags hoisted, and normal saluting has been abolished.'

But the Russian and Bulgarian Communist leaders did not welcome the initiative of the masses. On the contrary, they did everything to stop 'anarchy' and restore 'order'. When Molotov met the Bulgarian armistice delegation, he made the following declaration: 'If certain Communists continue their present conduct, we will bring them to reason. Bulgaria will remain with her democractic Government and her present order . . . You must retain all valuable army officers from before the *coup d'etat*. You should reinstate in service all officers who have been dismissed for various reasons'. (*The New York Times*, January 16th, 1945). And earlier, on September 21st, 1944, *The New York Times* correspondent in Sofia reported that 'Communist leaders are doing everything they can to prevent extremists in the party from agitating for sovietization of the country'. Of the Red Army he said: 'On several occasions when local Communists in the provinces tried to displace city officials and take matters into their own hands they were ordered by the Russian military authorities to return the jobs to the old officials until orders were received from the Fatherland Front Government in Sofia'. The Fatherland Front government hastened to establish order.

As regards the restoration of 'order' in the Bulgarian Army, the same article in *The Economist* states: 'M. Velchev (Minister of War in the Fatherland Front Government—Y.G.) has issued a stern order to the troops to return immediately to normal discipline, to abolish Soldiers' Councils and to hoist no more red flags. Now Sofia reports that the Bulgarian army has been placed under the supreme command of Marshal Tolbukhin. Apparently, the Soviet commander has no patience with Balkan repetitions of 1917 . . . The Bulgarian Left seems to be ready to accept this policy, but it may be questioned whether it would have agreed to it so easily if its author had been Colonel Velchev and not Marshal Tolbukhin.'

In its programme, the Fatherland Front Government was careful to emphasize that it stood for the social *status quo* and

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for the maintenance of private property. Immediately after its establishment, the Communist leader, Anton Yugov, the Minister of the Interior, declared: 'This government, of which I am a member and on whose behalf I speak, categorically denies that it has any intention of establishing a Communist regime in Bulgaria. There is no truth in rumours that the government intends to nationalise any private enterprise in the country.' (*The New York Times*, 22nd September, 1944).

A few months later, at the national congress of the Fatherland Front in March, 1945, another Communist leader declared: 'We are building a democractic country based on private property and private initiative. Consequently the Government by its very nature is reformist.' He severely attacked those members of the Communist Party who opposed the Fatherland Front Government and wanted 'to establish a completely Communist government.' An article in the official paper of the Fatherland Front, *Otechestven Front* (9th March, 1945) described the programme of the Front in these words: 'It is the programme of the Bulgarian workers, peasants, craftsmen and women, honest, intellectual, patriotic individuals, industrialists, merchants and patriotic soldiers.' In a congress of the industrialists of Bulgaria on September 27th, 1945, a Communist Minister, Dobri Terpeshev, said on behalf of the Supreme Economic Council: 'Private initiative will not be handicapped but supported. The Communists intend to revive it because our economy needs your initiative . . . Let us all work without being led on by thought of gain alone.' A year later the Communist Prime Minister, Georgi Dimitrov, declared: 'The immediate task is neither the realisation of Socialism nor the introduction of the Soviet system but the consolidation of a truly democratic and Parliamentarian system.'

From September, 1944, to October, 1946, the Fatherland Front Government was headed by General Kimon Georgiev who not only played a leading part in the military, semi-fascist *coup d'etat* of Tsankov in 1923, as a result of which tens of thousands of workers and peasants were massacred, but was also the author of the military coup of 1934 which led to the immediate dismissal of Parliament, the terrible persecution of Communists, Agrarians and others, and, for the first time in

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Bulgarian history, the dissolution of the trade unions and their illegalisation.* Georgiev's supporters wielded such power in the Fatherland Front Government that *The Observer* of 10th September, 1944, could remark: 'The composition of the Government suggests that the group that has now taken over in Sofia is the famous Military League which took power by a *coup d'etat* in 1934.' But *The Observer* did not mention one very important exception. The Minister of the Interior, who controls the police, was the Communist leader, Anton Yugov. The Communist leaders joined hands with the old Military League in order to keep 'order', the first victims of which were any workers who demanded an improvement in their condition, or—even worse—dared to press for immediate steps in the direction of socialism. Thus Constantine Poulos, writing from Sofia on June 2nd, 1945, said: 'Bulgarian Socialists (are) far to the left of the Communists . . . The Greek workers who demanded "bread and work" last fall are now dead, in jail or terrorized into silence. The Bulgarian workers who recently made similar demands were publicly denounced by the Communists as diversionists and enemies of the state; a handful of coal miners who struck for higher wages in March were castigated as "anarchists" and rushed off to jail by the Communist-controlled militia.' (*The Nation*, June 23rd, 1945).

In spite of these precautions, the transfer of Bulgaria from the German side to the Russian was not carried out as smoothly as the transfer of Finland, Rumania and Hungary, because Bulgaria does not belong geographically to the Russian sphere proper, but is on the border between the Russian and Anglo-American zones. Hence when the Germans retreated, many members of the ruling strata of Bulgaria hoped to switch over from the side of Germany, not to Russia, but to England and the United States. Russia therefore could not rely implicitly on the Bulgarian state machine, and between September, 1944, and March, 1945, a large-scale purge was carried out by

*This is what *Inprecor*, the official Comintern paper, wrote about the 1934 coup: 'A new military-fascist *coup d'etat* has been carried out in Bulgaria. In the night prior to May 19th the Muchanov-Gitchev government was overthrown and a military-fascist dictatorship established under the leadership of *Kimon Georgiev*, a Lieutenant-Colonel of the Reserve'. 'The leading elements in the present coup also played a leading role in the 1923 coup'. (*Inprecor*, 1st June, 1934). Now the official *Free Bulgaria* describes Georgiev's role in the 1934 coup in these words: 'In 1934 he took the post of Prime Minister and re-established diplomatic relations between Bulgaria and the Soviet Union.' (August 1st, 1949).

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661 the law courts. As a result, two thousand people were con-
● 728 demned to death and executed and another few thousands sentenced to very long terms of imprisonment.

That the Bulgarian people were successfully 'kept quiet' is illustrated by the fact that until April, 1948, the Communists did not find it necessary to hold even sham elections to local authorities; heads of villages and members of local councils were officially appointed by the Minister of the Interior!

Rumania

728 Rumania was the first of the Eastern European countries
642 reached by the Red Army, and Russia hastened to declare its intention of non-intervention in her internal regime. On April 2nd, 1944, Molotov declared: 'The Soviet Government declares that it does not pursue the aim of acquiring any part of Rumanian territory or of changing the existing social order in Rumania. It equally declares that the entry into Rumania of Soviet troops is solely the consequence of military necessities and of the continuation of resistance by the enemy forces.'

Russia's intention of keeping 'order' was reciprocated by the willingness of the Rumanian King and governing circles to collaborate with her. With scarcely a ripple Rumania changed her allegiance from Germany to Russia, the whole state apparatus—army, police and administration—going over to the Russian side when King Michael on 23rd August, 1944, arrested the Prime Minister, Marshal Ion Antonescu and appointed General Sănătescu in his place.

In March, 1945, after a number of changes in the Rumanian government, brought about by direct threats and pressure from the Russian army of occupation numbering a million men, Petru Groza became Premier, supported by Vice-Premier Gheorghe Tătărescu and four of his friends from the so-called 'Liberal Party', an equal number of Communists, and a number of individuals representing nobody.

728 Of Tătărescu, the Comintern paper, *Imprecor*, of December
642 8th, 1933, had said: 'In 1907 the Liberal Party, at that time led
661 by Sturdza, caused no less than 11,000 peasants to be murdered. The bloody suppression of the peasant insurrection in Tatar-Bunar was also the work of the Liberals, under the leadership of *Tătărescu*, who is now the Minister for Trade and

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Industry. The Liberal Party is also responsible for the volleys fired on the 13th of December against striking workers, as a result of which over 100 were killed. 728 661 642

'In December, 1927, it was the Liberal Party which organised the bloody anti-Jewish pogroms. Bands of students roamed through the streets beating up passers-by. The Minister of the Interior at the time was Duca, and the Secretary of State, Tătărescu. Under Liberal government corruption and jobbery reached their culminating point. The same Liberal Party exercised a brutal repressive terror against the revolutionary organisations; it suppressed all revolutionary newspapers and caused numerous workers to be murdered. Under Liberal government the class courts of the Rumanian bourgeoisie have sentenced many of the best leaders of the working class to long years of hard labour or to long terms of banishment in the salt mines.'

Tătărescu represented the extreme authoritarian wing of the Liberal Party and helped King Carol to establish his dictatorship. His foreign policy was oriented towards Hitler Germany. The British Communist weekly *World News and Views* of November 19th, 1938, described him thus: 'Tătărescu, the leader of the Right pro-Hitler wing of the National Liberal Party.' 728 642

Mihail Ralea, Minister of Culture in the March, 1945, Cabinet, was formerly a Minister under King Carol and an open admirer of the Hitler regime. Today he is Rumanian Ambassador to Washington. Father Burducea, the Minister of Cults in the March, 1945, Government, was one of the most notorious Iron Guardists (he had the decoration of the Buna Vestire, which was awarded to only thirty-two Guardists). Lotar Radaceanu, the Minister of Labour, was in Carol's totalitarian 'Renaissance Front.' One of the chiefs of the Propaganda Ministry, responsible for controlling the press, was Gheorghe Macovescu. Under Antonescu's fascist regime he held the same position, writing articles hailing the German-Rumanian alliance against Russia. Groza himself, the Premier since March, 1945, was before the war a very rich man, an owner of a big estate, factories and large hotels, and with big banking interests. He had been a Minister in two extremely right-wing governments under General Averescu (1920-1, 1926-7).

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642 1947). A few weeks later the Communist leaders compelled
662 Michael to abdicate (30th December).
665

Hungary

642 The policy of the Communist Party in Hungary in the first
728 stage of Russian intervention was similar to their policy in
471 Rumania and it is therefore unnecessary to describe it in detail.[2/1] The following quotation from the report of Nagy Imre, a member of the Political Bureau of the Party, to its congress in September, 1946, is typical of many declarations: 'While the war was still being fought, we have determined, and this is one of the basic principles, that in Hungary this is not the time for transition from capitalism to socialism, for struggle between the two social systems, but for uprooting the powerful remants of feudalism. It is not a question then of struggle between the two social systems but of the struggle between democracy and reaction within capitalism.'

The connection between this policy and Russia's interest in gaining control of the Hungarian economy (through mixed companies) and in extorting reparations from her, has already been described.[2/1] Here it is only necessary to repeat that for three years the Communist Party leaders continued to harp upon the same theme, that they were against abandoning the capitalist structure of the country.

[1/1] [See category 116, pp. 136-141 -- Analyst]

[2/1] [See category 116, pp. 60-62 -- Analyst]

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Only after the events of spring 1947 in Hungary which consolidated the power of the Communist Party, and the February, 1948, coup in Czechoslovakia did Moscow consider nationalistic conflicts between Hungarians on the one hand and Slovaks and Czechs on the other superfluous. And duly in autumn 1948, an agreement was concluded between Czechoslovakia and Hungary regularising the status of the Hungarian minority in Slovakia. In January, 1949, the Czechoslovak parliament decided to restore full civil rights to the Hungarians, and to allow them to remain permanently in the country.

Conflicts Between Rumanians and Hungarians

The bone of contention between Rumania and Hungary was Transylvania in which nearly 2 million Hungarians live. Within 24 hours of the time that the Groza government was established, northern Transylvania, taken from Rumania by Hitler and given to Hungary, was given back to Rumania, even though the majority of its population is Hungarian. Vishinsky openly admitted that this was a reward for the establishment of the Groza Government. Pătrăşcanu, then leader of the Rumanian Communist Party, gratefully acknowledged the fact that Russia was responsible for the transfer. Strange as it may seem, Rákosi also used the conflict to pay a tribute to Russia, stating on 1st June, that at the Paris Conference Britain and the U.S.A. decided on the transfer because of their interests in Rumanian oil. 'Rumania's oil production is 10 times that of Hungary and naturally those countries which are interested in oil, share out their sympathy or antipathy according to whether 100,000 or 1,000,000 tons of oil are at stake. Naturally this fact has an important bearing on their political judgment. Thus when the Hungarian-Rumanian frontier issue was raised at the Paris Conference, the U.S.A. suggested that Rumania should regain her 1940 frontiers without change. Britain immediately agreed to this proposal and the matter was settled.' (*East Europe*, 12th June, 1946).

The Hungarian Communist Party demanded on 12th August, 1946, that the Peace Settlement be changed to allow at least that part of Transylvania inhabited by Hungarians to be given back to Hungary. At the same time the Rumanian

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563 Communist Party declared their opposition to any changes in
728 the Peace Settlement.

But once it became absolutely clear that Russia supported the pre-1940 frontiers of Hungary and Rumania the quarrel between the two governments ceased and on the whole a very liberal attitude was taken by the Rumanian government towards the large Hungarian minority.

Poles and Czechs in Teschen

563 As soon as the war ended a sharp conflict broke out between
728 Poland and Czechoslovakia over the fixing of the border between them. There were Slovaks and Czechs in Polish Špiš, in the Orava district which was divided between Czechoslovakia and Poland and in Silesian Ratibor and Hlubčice which were in the hands of Poland. In all these areas Czechoslovakia wanted to change the border in her favour. But the most serious conflict broke out over the possession of the rich area of Teschen. After World War I Teschen was divided between Poland and Czechoslovakia; in 1938, during the Munich crisis Poland walked into the part of Teschen occupied by Czechoslovakia. At the end of the war, the Polish army, commanded by Marshal Rola-Zymierski, again occupied all Teschen. The Poles and Czechs were called upon next day to send representatives to Moscow to discuss the question. It was decided to give back to Czechoslovakia the area they had held prior to Munich, as compensation for the loss of Western Ukraine (Ruthenia) to Russia. But the chauvinistic fury did not abate, and the national minority of Czechoslovaks in the Polish area and Poles in the Czechoslovakian area were the victims of it. The *Central European Observer* of October 19th, 1945, wrote: 'In Hlubčice and Ratibor, Czech people are suffering injustices: their harvest is taken away, their property confiscated. They are being arrested and taken into the interior of the country. Church services in the Czech language or in the local dialect have been forbidden. Czechs are fleeing across the frontier. There are already several thousands of refugees.' On 27th December, 1945, Radio Prague complained that the Poles had dissolved the National Committees in the part of Teschen inhabited by Czechs, had replaced them with Polish mayors appointed by themselves, and had closed all schools except the

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Polish ones. On 27th March, 1946, the Czech National Council in Morawska-Ostrawa in retaliation forbade the use of the Polish language in Teschen schools which had Polish pupils. (*East Europe*, 3rd April, 1946).

In Conclusion

The policy of keeping national antagonisms alive, especially between Slavs and Teutons, was a liability for the Kremlin after its agents took full control of the satellite countries and after the main pivot of its policy became the struggle against the Western Powers over Germany. Hence since about the end of 1947, when the Cominform was established, the former policy on the national question was dropped, and was replaced by 'internationalism', which is in reality equally the instrument of Russian imperialist national policy. In June, 1948, a conference of the Foreign Ministers of the U.S.S.R. and the 'People's Democracies' held in Warsaw, declared its friendship to the German people. In January, 1949, Fierlinger congratulated the German Stalinists (the Socialist Unity Party) on the fact that they were 'proudly professing the old and unadulterated internationalism.' The same theme was repeated time and again by other leaders in Czechoslovakia, Poland, Rumania and the other 'People's Democracies.' Stalin himself wrote in a letter to Pieck, president of the 'German Democratic Republic', on October 13th, 1949, that the German and Russians were 'the two peoples possessing the greatest potentialities in Europe to complete great actions of world significance.' Woe betide anyone who should now mention the unity of the 'Slavs' against the 'Teutons.'

The new policy was mainly directed against the satellites who dared to strive for national independence and against the transformation of their countries into Russian gubernias.

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stable, fair prices for agricultural products and to secure them a market. The Czechoslovakian Grain State Monopoly, established in 1934, was the only institution to bring any real benefit to the farming population. In other Eastern European countries, the situation reduced even further both the internal market and the income per head of the rural population. Less money than ever was available for improvements or for educating the peasants in new methods and techniques.

The alleviation of this situation came from Nazi Germany. Since 1935 Germany had been buying the greatest proportion of this region's agricultural surpluses and, in return, had been sending its own industrial goods into that area. Eastern Europe, and the Balkan states especially, became so dependent upon Germany's buying that the term "economic conquest" became a reality. This conquest, which was later political and military, of course did not bring any remedy to the agricultural problem of this region.

III

The Second World War devastated whole countries. Nowhere did the four horsemen of the Apocalypse reap a greater harvest than in Poland and Yugoslavia. In their wake came a troubled period which brought with it all the miseries and hardships that have always attended political and social revolutions. Vast numbers of the population were killed during the war. In Poland alone these numbered six million. The unbalance which this caused was greatly aggravated by enormous shifts of population in many of the Eastern European countries. The Germans were expelled from Poland and Czechoslovakia in millions, and from Hungary, Yugoslavia, and Rumania in hundreds of thousands. The total number of Germans expelled from this region was estimated at over eleven million. Changes in state

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frontiers were another cause for great migrations. Four million Poles moved from the territory which was incorporated into the U.S.S.R., and millions of Poles, Czechs, and Slovaks moved into districts formerly inhabited by the Germans. Although these changes alleviated the problem of rural overpopulation in Eastern Europe, there was still, at the end of the Second World War, a surplus population estimated at nine million.

The Communist parties in various Eastern European states knew very well how to exploit this situation. They knew that it was vital to the success of revolution that the peasantry should not be opposed to it. They knew that the Russian Revolution had been achieved only because Lenin was fully aware of the desire of the peasant for more land.

Orthodox Marxist theory required that the land be nationalized and that it be administered by the state. Land was considered the most important means of production, and it had to be treated as such. This dogma was abandoned by Lenin for tactical reasons. He nationalized land in the Soviet Union during the revolution of 1917, but distributed it under ninety-nine-year leases to small and medium peasants for private exploitation. It was the political pressure of the peasants which forced Lenin to change his political doctrine and implement the agrarian program of the Populists, his political opponents. Lenin and his followers did not approve of the peasant who, according to them, was a relic of the precapitalistic society. It was Lenin's view that "small, individual farming gives birth to capitalism and the bourgeoisie daily, hourly, spontaneously and on a mass scale," and that in the future classless society the peasant was to assume the status of a worker on the land as his fellow in town was a worker in industry.

Political expediency determined Lenin's change in tactics. He supported small agrarian property holders only because